

## IDAHO PREMIUM TAX FAQs

**The following are common errors made when filing premium taxes with the state of Idaho and what you can do to avoid them.**

**Please read all instructions carefully before completing tax forms as they are changed annually.** If you have any questions, contact the Premium Tax Section at (208) 334-4281 or 334-4282.

1. **Hard copies of the NAIC Annual Financial Statements are no longer required in Idaho if the company files electronically with the NAIC; however, state specific documents must still be submitted. Required state documents and tax statements can be mailed together in one envelope.** Late filing penalties are assessed at \$25.00 per day each, for late state documents. There will also be an additional \$25.00 per day late penalty if the Statement of Premium Taxes and Fees, tax payment or Annual Continuation Fee are not postmarked on or before March 1.
2. **Electronic fund transfer payments must be prior approved.** The Company must indicate on the tax forms, in the required area, if it is submitting payments electronically. A late penalty will be assessed based on the date the transfer is received in the State Treasurer's bank account. Original signed tax statements or quarterly prepayment forms must also be submitted to avoid a late penalty.
3. **Duplicate filings and payment are being submitted;** therefore, before submitting another form please check with other personnel within your company.
4. **Tax statement and prepayment forms must be identical to the original.** See Idaho Code Section 41-402(1).
5. **Failure to attach copies of required Annual Statement pages.** Copies of the appropriate annual statement pages must be attached to all tax statements or various tax schedules when indicated, regardless of negative premiums or if no business was written.
6. **Failure to enter correct Idaho Certificate of Authority number.** This number is required to verify the proper company is credited for the filing. The Certificate of Authority number is the four-digit number that appears on your Idaho license.
7. **Rounding prepayment amounts.** Amounts must agree with the actual amount paid. Do not round amount unless you did so on the quarterly prepayments remitted.
8. **Required license continuation renewal fee must be submitted.** Premium tax credits or tax refunds cannot be applied to cover annual continuation license renewal fees.
9. **Company contact person is often not familiar with the Idaho forms and cannot answer our questions.** If a "Second Request" for information is needed on any correspondence, a copy will be sent to the President of the company.
10. **Company telephone number is not complete.** Include extension of contact person's telephone number not just the main switchboard. Give 1-800 numbers if available.
11. **E-mail address of contact person.** Include E-mail address of contact person that can answer questions about tax statement.

12. **Omission of signature of officer.** This signature certifies under penalty of perjury that the statements are accurate, correct and complete. A corporate official must sign the statements.
13. **Company fails to attach BOTH the June and December Worker's Compensation Semi-Annual Reports** to the Industrial Commission, if applicable, regardless of amount due. Without supporting documentation to verify, credit may not be allowed. Company fails to report the minimum tax paid for worker's compensation in the Supplement 1D calculation.
14. **Annual Report of Premiums for Idaho Life and Health Insurance Guaranty Association.** Forms should be mailed directly to the Association address indicated on the form. DO NOT SEND to the Department of Insurance. Do not send an annual statement to the Association. Be sure to attach only a copy of the Assessment Base Reconciliation Exhibit or Adjustment Exhibit for the Guaranty Association Model Act from the Annual Statement.
15. **The Statement of Direct Premiums Idaho Property and Casualty Insurance Guaranty Association, Western Guaranty Fund, Denver Colorado** is no longer required for Idaho. The Western Guaranty Fund will access the NAIC Annual Statement premium data base if an assessment is needed.